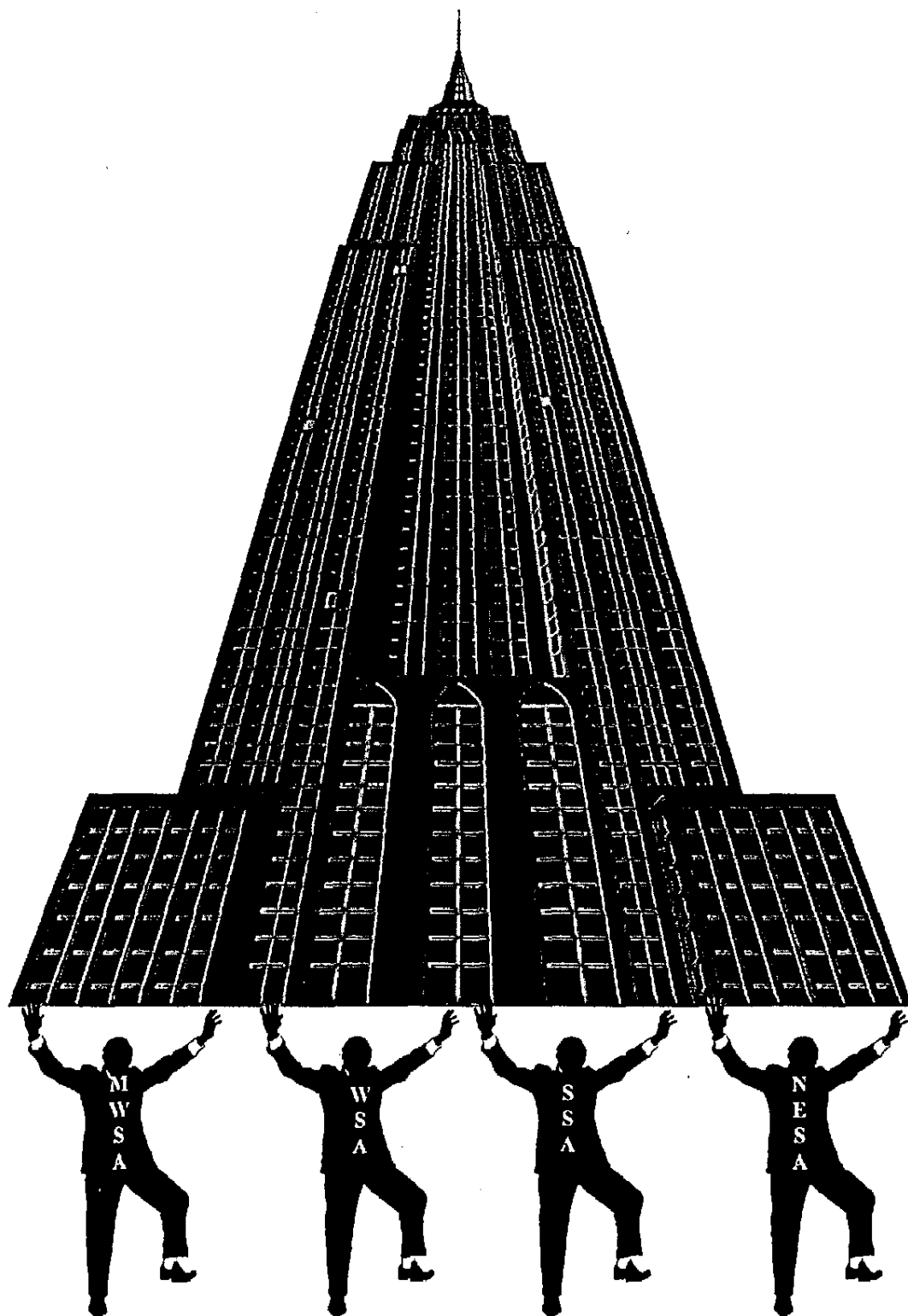


SUCCESSFUL COMPANY



SKILLED CATEGORY ADVISOR

51855 4538

RETAIL TEAM

PHASE II - ADVANCE MATERIALS

Enclosed are advance materials for the June 20 joint TMV meeting.

Please familiarize yourself with these background materials to prepare for discussion. A streamlined version of recommendations and issues will be presented on 6/20.

This retail team package consists of an overview on key issues and structure and five sections relating to the retail sub-teams.

51855 4539

RETAIL TEAM - OVERVIEW

Following the introduction of the new Retail Partners Merchandising and Co-Marketing performance based contract, the objective of Phase II development was:

- **What activity can improve the business.**
- **What is necessary for 1996 planning.**

All activity must be designed to change trade behavior (wholesale, retail, consumer). However, it is recognized that RJR retail relationships are starting from a positive foundation.

RETAIL TEAM -- KEY ISSUES

Key Issues

- 1. Update on Retail Partners - Phase I**
- 2. Maximizing Retailer Involvement**
 - Brand Programs - Support**
 - Other Retail Services**
- 3. Merchandising - More Direct Reinforcement of Company Objectives**
 - Brand/Category Specific Programs**
 - Other Trade Programs**
- 4. Co-Marketing - Maximizing Effectiveness of Joint Retailer/Manufacturer Promotion**
 - Levels of Partnership**
 - Consolidation of Promotion Dollars**
 - Promotion to Offset RDA's**

RETAIL TEAM

Key Issues (cont.)

5. Resource Allocation

- Alignment With Retail Priorities
- Alignment With Consumer Strategies

6. Retail Strategy - 1996 Plan

- Program Effectiveness
- Anticipation of Competitive Actions
- Retail Universe
- Strategy and Budgets

51855 4542

RETAIL TRADE VISION

SUB-TEAMS

<u>Retail Function/ Team</u>	<u>Merchandising Strategy</u>	<u>Co-Marketing Strategy</u>	<u>Priorities/Resource Allocation</u>	<u>Retail Involvement/ Brand Promotion</u>	<u>1996 Retail Planning</u>	<u>Information/ Technology</u>
Leader	R. Grout	M. Buckler	R. Fullton	J. Powers	G. Baroody	F. Beck
Other Members	R. Dotson* S. Steen K. Hedrick M. Shaw M. Soyars R. Stanley D. Vaught	J. Helm M. Shaw M. Johnson M. Jones P. O'Mara* S. Zitta D. Schmidt M. Bowdish D. Luongo M. Soyars J. Powers B. Cook R. Cobb	R. Dotson* T. Sullivan R. Pettorini H. Roseman M. Bowdish K. Hedrick F. Beck B. Cook R. Stanley	M. Soyars D. Cook K. Wadia K. Hedrick S. Zitta R. Kane* C. Russell M. Hirsch R. Cobb P. Schmidt	R. Sanders J. Helm R. Kane* P. O'Mara* S. Keith D. Luongo S. Zitta D. Schmidt M. Buckler R. Fullton T. Sullivan M. Shaw P. Schmidt D. Vaught M. Hirsch	Will be part of new TMV Category Management Team

*When Available

51855 4543